UNITED NATIONS

A

General Assembly

Distr.
GENERAL

A/46/186/Add.1
18 October 1991

ORIGINAL: ENGLISH

Forty-sixth session
Agenda items 82 and 112

OPERATIONAL ACTIVITIES FOR DEVELOPMENT

JOINT INSPECTION UNIT

Technical cooperation and the use of national professional project personnel

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the comments of the Administrative Committee on Coordination (ACC) on the report of the Joint Inspection Unit entitled "Technical cooperation and the use of national professional project personnel" (A/46/186).

I. INTRODUCTION

1. The report analyses the role of national professional project personnel (NPPP) in the implementation of technical cooperation provided by the United Nations system. It notes the trend towards a greater use of NPPP and raises questions about the original assumption that the increased use of NPPP is cost-effective and fosters the development of national expertise. The report expresses various views about the relative merits of NPPP as compared to the other categories of personnel. It also deals with the issue of national directors (ND), which is quite separate from NPPP.

II. GENERAL COMMENTS

2. In a previous report on the role of experts in development cooperation issued in 1978 (JIU/REP/78/3), JIU had provided an in-depth analysis of various options to render technical cooperation more effective and less costly. The concept of NPPP arose as a result of a dual concern, reviewed fully in the above-cited report, of making the best use of national skills which were not readily available to Governments and of reducing the spiraling cost of internationally recruited project personnel. It is regrettable that the present report of JIU does not have the same broad vision of the issue, but rather deals at length with matters of relative secondary importance, such as statistical information systems, contractual arrangements and administrative support.

3. As is clearly evident from the wide use of NPPP by the various organizations of the United Nations system, NPPP represents a vital element of providing Governments additional sources of expertise. As the nature of development is undergoing rapid changes, which include increased national execution, an extension of cooperation with Governments to a variety of non-governmental entities, the increased use of United Nations Volunteers, the growing number of qualified nationals living abroad who are willing to return to their countries of origin, and other possible sources of technical advisory support, it would have been particularly interesting to have once more a comprehensive review by JIU. Instead, the Inspector focused on a relatively narrow issue without taking fully into account these trends. While those factors limit the relevance of the study in the current context of fundamental changes in development cooperation, the report none the less can serve to highlight a few questions which merit further action.

4. Given the importance of the issues raised, several organizations regretted not having had the opportunity for broader consultations with the Inspector. It was not clear from the report to what extent the Inspector had had the opportunity to discuss the subject with the key agencies concerned, or whether he had been able to contact the field offices.

5. The conclusions and recommendations of the Inspector pertaining to the advantages and disadvantages of using NPPP as opposed to other types of

project personnel, in particular international professional project personnel (IPPP), elicited mixed reactions from the organizations concerned. Most of them find the use of NPPP to be a cost-effective, positive way of utilizing national expertise. Some agree with the Inspector's general conclusion that the use of NPPP entails problems, in particular, that their use is more expensive than would appear, prima facie, owing to the fact that - because of the much lower total cost of NPPP - the percentage of administrative costs is relatively higher than for IPPP.

6. Several organizations regretted that the report does not explore in greater detail issues relating to the contractual status of NPPP, nor review fully the definitions governing NPPP, IPPP and ND, with a view to suggesting clearer definitions of roles and purposes. The report does not discuss in sufficient depth such issues as supervision, performance evaluation and training of NPPP. Organizations of the Administrative Committee on Coordination (ACC) agree with the Inspector that a number of policy issues need to be discussed further, such as criteria for selection, recruitment, remuneration, status of NPPP working on regional projects away from home, role of NPPP in strengthening the institutional infrastructure, and role of ND.

7. Several organizations regretted that the report does not deal with the issue of national execution, which is the logical extension of the increased reliance on NPPP, nor does it take into account General Assembly resolution 44/211 of 22 December 1989.

III. COMMENTS ON SPECIFIC PARAGRAPHS OF THE REPORT

Table 2

8. One organization (United Nations Development Programme (UNDP)) pointed out that table 2 contained an error concerning the number of national experts in China; the figure of 2,225 included all the government counterparts, and the real figure for 1988 was seven NPPP.

Paragraphs 5 to 7

9. One organization (Food and Agriculture Organization of the United Nations (FAO)) pointed out that the lack of statistics on NPPP was mainly due to the fact that clearer definitions had yet to be established for the various categories of project personnel. Another organization (World Health Organization (WHO)) noted that a more precise definition of NPPP was needed, and that the term NPPP might give rise to confusion with the category of "National Professional Officer" employed by some United Nations organizations. Another organization (United Nations Centre for Human Settlements (UNCHS)) expressed surprise that the report did not contain a table with information on the use of NPPP by agency, which would have been more relevant than the data contained in table 1.

Paragraph 11

10. One organization (FAO) noted that the phrase "funds of the agencies" was misleading, since most projects funded by UNDP are executed by the agencies and technical cooperation projects are formulated in close cooperation and full agreement with the agencies.

Paragraphs 14 and 15

11. As indicated in the report, more than half of all NPPP are working in the Latin America and Caribbean region. One organization (UNDP) expressed surprise that in this context, the report did not refer to the national execution modality which, together with the use of NPPP, forms a central part of the UNDP strategy to build national capacity in that region. It would have been useful to explore the relation between national execution, the use of NPPP and the new forms of technical cooperation that are developing.

Paragraph 23

12. WHO noted that it had employed 165 NPPP in 1990 on Special Service Agreements.

Paragraphs 24 and 25

13. FAO corrected the figures given by the Inspector in paragraph 24 to read 74 per cent in the food and agricultural sector, 17 per cent in forestry and 9 per cent for fisheries.

Paragraph 28

14. UNCHS corrected the affirmation that it, as part of "other agencies", employed only a small number of NPPP and pointed out that it employed 101 NPPP in 1985 and 324 in 1990 (29 per cent and 62 per cent, respectively, of its experts and consultants). For its part, UNIDO stated that it employed 263 NPPP in 1987, 231 in 1988, 288 in 1989 and 416 in 1990.

Paragraphs 29 to 32

15. FAO stressed that it does collect and publish statistics on the use of national capabilities, including NPPP. UNCHS collects and processes such statistics, which it provides to UNDP through the Inter-Agency Procurement and Supply Office (IAPSO).

Paragraphs 48 to 50

16. Several of the statements contained in these paragraphs were questioned: paragraph 48 could not be checked as to its validity, since no specific countries were listed; the statement contained in paragraph 49 appeared questionable and, if true, applied to a very limited number of countries. As

for paragraph 50, there appeared to be a confusion between NPPP and traditional government counterparts.

17. Regarding the comments made in paragraph 49 on the notion of additionality, one organization (UNDP) regretted that the Inspector was not able to discuss with field offices and recipient Governments the rationale that led Governments to rely increasingly on national experts. In the countries that relied extensively on cost-sharing to pay for NPPP, the government funds used to finance NPPP were largely based on World Bank and Inter-American Development Bank (IDB) credits and loans which had been approved with the additionality that these institutions brought to bear. The issue of additionality was much more complex than the opinion expressed in paragraph 49 led to believe, and the conclusions of the Inspector should have been supported with much more analysis of the experience gained with the use of national and international experts, and the comparative advantages of each. Besides, other arguments for the use of national experts, such as their familiarity with local circumstances and the fact that they remain in the country, had not been sufficiently considered.

Paragraph 51

18. Based on their experience, several organizations questioned the sweeping statement mentioned in that paragraph, to the effect that the justifications put forward in most developing countries to use NPPP are essentially of a material kind and have practically no relation with a policy aimed at getting the best out of international and local expertise. Those organizations stated that on the contrary, many Governments resorted to NPPP because they realized that their use could contribute to building national institutional capacity for development.

Paragraph 54

19. Agreement was expressed that coordination between the use of NPPP in multi-bilateral projects and in bilateral projects needs to be improved.

Paragraphs 58 to 61

20. Several organizations pointed out that, in fact, the appointment of NPPP was done in full consultation between the Government, the agency and the UNDP Resident Representative. The agency had full control over the hiring of NPPP financed by UNDP budgets. One agency in particular (World Meteorological Organization (WMO)) stated that in the case of agencies dealing with highly specialized scientific and technical activities, the agency should have a major role in selecting NPPP to ensure that they have the necessary qualifications. Regarding paragraph 61, UNCHS said that it was in the process of setting up a roster that should assist in the selection of the best available NPPP.

Paragraphs 62 to 64

21. ACC agrees with some of the points raised with respect to the difference in compensation between NPPP and IPPP, as well as between NPPP and equivalent national officials, at similar levels of qualifications. ACC is of the view that the subject should be kept under review in the light of experience and that the system should adopt a more coordinated approach regarding the recruitment, length of contract and compensation package for NPPP, while reflecting national circumstances.

Paragraph 67

22. One organization (United Nations Industrial Development Organization (UNIDO)) pointed out that as a rule, NPPP received payment in local currency, thereby weakening the argument of the Inspector that paying NPPP from the project budget constituted a diversion of scarce hard-currency resources.

Paragraph 68

23. ACC took note with interest of the suggestion to use other categories of experts such as expatriate nationals, TOKTEN (Transfer of Knowledge through Expatriate Nationals), but noted that the suggestion needed further elaboration, keeping in view the demand for technical services and the corresponding supply of qualified nationals willing to return to their country.

Paragraph 69

24. ACC pointed out that the possibility that the use of NPPP might encourage an emigratory brain drain was essentially for Governments to consider and to act upon. At the same time, ACC agreed that the issue was a very real one which would have to be addressed by the United Nations system. However, the figure of 20 per cent mentioned by the Inspector was highly speculative; furthermore, Governments themselves asked for the employment of their nationals as NPPP, as part of their wish to make the best use of their own personnel.

Paragraph 73

25. A number of organizations pointed out that steps were taken since the inception of NPPP to provide health and disability benefits to NPPP, as part of the contractual arrangement. In a number of cases, the compensation includes resources for the individual NPPP to obtain insurance himself. One organization (UNIDO) pointed out that it had appointed a number of NPPP as international experts and vice-versa, and hoped to be able to recruit more NPPP for international assignments. This is one attempt to remove the potential discriminatory barrier between NPPP and other categories of personnel.

Paragraphs 81 and 82

26. Several organizations stated that they were very satisfied with the concept of national directors, whose input had avoided isolation of the projects and had ensured better integration of the United Nations system activities into the countries' development plans. One organization (FAO) added that it had developed standard terms of reference for ND and made a number of proposals concerning their selection and terms of employment.

Paragraphs 85 to 89

27. One organization (FAO) was of the view that no general project categorization scheme could satisfactorily take into account the wide disparity of situations in developing countries, and added that those aspects could be adequately taken care of during project formulation, provided that the new UNDP and similar trust fund project formulation procedures and guidelines were followed carefully.

28. Another organization (UNDP) pointed out that statistics for all personnel would be of limited use unless they included detailed fields of specialization rather than sectors, as suggested in the report.

IV. COMMENTS ON RECOMMENDATIONS

29. While expressing regret that the report had focused on a rather narrow issue, and did not take into account recent fundamental changes in development cooperation, and in spite of the fact that the body of the report had elicited a significant number of comments from the organizations concerned, ACC on the whole has no difficulty with the recommendations, which are rather limited in scope. Bearing this in mind, ACC offers the following comments:

Recommendation 1

30. This recommendation is addressed to UNDP. UNDP agrees that statistical data on various aspects of the use of NPPP would be very useful. However, some of those data would be extremely difficult to come by. As recognized by the Consultative Committee on Substantive Questions (Operational Activities) (CCSQ(OPS)), without evaluative data on the performance of NPPP and IPPP, the comparison of the two categories of project personnel in terms of cost effectiveness would not be possible. It was found, however, that the gathering of such evaluative data for individual experts would be extremely difficult, if not impossible, in the United Nations system. Furthermore, the call for more detailed statistical information to be provided by the organizations concerned should be considered in the light of resource constraints.

Recommendation 2

31. ACC agrees with this recommendation, as part of a general review of the greater involvement of nationals in operational activities.

Recommendation 3

32. ACC supports this recommendation, which is in line with the policies of most of the organizations concerned. As regards part (a), existing mandates of the United Nations system are directed to make the best use of available national resources in consultation with Governments. Regarding part (b), it was suggested that ways and means should be considered to give further incentives to national experts employed by a national subcontractor of an international or bilateral organization or of a non-governmental organizations. It would also have been preferable to see more discussion and analysis in the body of the report of the proposal to make increased use of national execution and subcontracting, prior to making a recommendation on this subject. It was also suggested that the recommendation should mention the proposal made by the Inspector in the body of the report to create local review panels to review the applications of NPPP prior to their appointment.

Recommendation 4

33. ACC agrees with the thrust of this recommendation, while pointing out that the formulation of development objectives is primarily the responsibility of the host country rather than of the United Nations system, as the recommendation seems to imply.